

1 EDMUND G. BROWN JR., Attorney General
of the State of California
2 LINDA K. SCHNEIDER
Supervising Deputy Attorney General
3 RITA M. LANE, State Bar No. 171352
Deputy Attorney General
4 110 West "A" Street, Suite 1100
San Diego, CA 92101

5 P.O. Box 85266
6 San Diego, CA 92186-5266
Telephone: (619) 645-2614
7 Facsimile: (619) 645-2061

8 Attorneys for Complainant

9 **BEFORE THE**
10 **CALIFORNIA BOARD OF ACCOUNTANCY**
11 **DEPARTMENT OF CONSUMER AFFAIRS**
STATE OF CALIFORNIA

12 In the Matter of the Accusation Against:

Case No. AC-2007-40

13 BRYAN PAUL HOPKINS
2592 N. Santiago Boulevard, #B
14 Orange, CA 92867

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

15 CPA Certificate No. 60786

16 Respondent.
17

18 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the
19 above-entitled proceedings that the following matters are true:

20 PARTIES

21 1. Carol Sigmann (Complainant) is the Executive Officer of the California
22 Board of Accountancy. She brought this action solely in her official capacity and is represented
23 in this matter by Edmund G. Brown Jr., Attorney General of the State of California, by Rita M.
24 Lane, Deputy Attorney General.

25 2. Respondent Bryan Paul Hopkins (Respondent) is representing himself in
26 this proceeding and has chosen not to exercise his right to be represented by counsel.

27 3. On or about January 31, 1992, the Board issued CPA Certificate No.
28 60786 to Respondent. Said certificate expired and was not valid during the following time

1 periods: June 1, 1992 through June 19, 1992, June 1, 2000 through June 22, 2000, June 1, 2002
2 through July 29, 2002, and June 1, 2004 through September 6, 2004. Said certificate has been
3 renewed for the period June 1, 2006 through May 31, 2008, and will expire on June 1, 2008,
4 unless renewed.

5 JURISDICTION

6 4. Accusation No. AC-2007-40 was filed before the California Board of
7 Accountancy (Board), Department of Consumer Affairs, and is currently pending against
8 Respondent. The Accusation and all other statutorily required documents were properly served
9 on Respondent on November 7, 2007. Respondent filed his Notice of Defense contesting the
10 Accusation. A copy of Accusation No. AC-2007-40 is attached as Exhibit A and incorporated
11 herein by reference.

12 ADVISEMENT AND WAIVERS

13 5. Respondent has carefully read, and understands the charges and allegations
14 in Accusation No. AC-2007-40. Respondent has also carefully read, and understands the effects
15 of this Stipulated Settlement and Disciplinary Order.

16 6. Respondent is fully aware of his legal rights in this matter, including the
17 right to a hearing on the charges and allegations in the Accusation; the right to be represented by
18 counsel at his own expense; the right to confront and cross-examine the witnesses against him;
19 the right to present evidence and to testify on his own behalf; the right to the issuance of
20 subpoenas to compel the attendance of witnesses and the production of documents; the right to
21 reconsideration and court review of an adverse decision; and all other rights accorded by the
22 California Administrative Procedure Act and other applicable laws.

23 7. Respondent voluntarily, knowingly, and intelligently waives and gives up
24 each and every right set forth above.

25 CULPABILITY

26 8. Respondent admits the truth of each and every charge and allegation in
27 Accusation No. AC-2007-40.

28 ///

9. Respondent agrees that his CPA Certificate is subject to discipline and he agrees to be bound by the Board's imposition of discipline as set forth in the Disciplinary Order below.

CONTINGENCY

10. This stipulation shall be subject to approval by the California Board of Accountancy. Respondent understands and agrees that counsel for Complainant and the staff of the Board may communicate directly with the Board regarding this stipulation and settlement, without notice to or participation by Respondent. By signing the stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.

11. The parties understand and agree that facsimile copies of this Stipulated Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same force and effect as the originals.

12. In consideration of the foregoing admissions and stipulations, the parties agree that the Board may, without further notice or formal proceeding, issue and enter the following Disciplinary Order:

DISCIPLINARY ORDER

IT IS HEREBY ORDERED that CPA Certificate No. 60786 issued to Respondent Bryan Paul Hopkins is revoked. However, the revocation is stayed and Respondent is placed on probation for three (3) years on the following terms and conditions.

1. **Obey All Laws.** Respondent shall obey all federal, California, other states' and local laws, including those rules relating to the practice of public accountancy in California.

///

1 2. **Submit Written Reports.** Respondent shall submit, within ten (10) days
2 of completion of the quarter, written reports to the Board on a form obtained from the Board.
3 The Respondent shall submit, under penalty of perjury, such other written reports, declarations,
4 and verification of actions as are required. These declarations shall contain statements relative to
5 Respondent's compliance with all the terms and conditions of probation. Respondent shall
6 immediately execute all release of information forms as may be required by the Board or its
7 representatives.

8 3. **Personal Appearances.** Respondent shall, during the period of probation,
9 appear in person at interviews/meetings as directed by the Board or its designated
10 representatives, provided such notification is accomplished in a timely manner.

11 4. **Comply With Probation.** Respondent shall fully comply with the terms
12 and conditions of the probation imposed by the Board and shall cooperate fully with
13 representatives of the Board of Accountancy in its monitoring and investigation of the
14 Respondent's compliance with probation terms and conditions.

15 5. **Practice Investigation.** Respondent shall be subject to, and shall permit,
16 practice investigation of the Respondent's professional practice. Such a practice investigation
17 shall be conducted by representatives of the Board, provided notification of such review is
18 accomplished in a timely manner.

19 6. **Comply With Citations.** Respondent shall comply with all final orders
20 resulting from citations issued by the Board of Accountancy.

21 7. **Tolling of Probation For Out-of-State Residence/Practice.** In the event
22 Respondent should leave California to reside or practice outside this state, Respondent must
23 notify the Board in writing of the dates of departure and return. Periods of non-California
24 residency or practice outside the state shall not apply to reduction of the probationary period, or
25 of any suspension. No obligation imposed herein, including requirements to file written reports,
26 reimburse the Board costs, or make restitution to consumers, shall be suspended or otherwise
27 affected by such periods of out-of-state residency or practice except at the written direction of the
28 Board.

1 8. **Violation of Probation.** If Respondent violates probation in any respect,
2 the Board, after giving Respondent notice and an opportunity to be heard, may revoke probation
3 and carry out the disciplinary order that was stayed. If an accusation or a petition to revoke
4 probation is filed against Respondent during probation, the Board shall have continuing
5 jurisdiction until the matter is final, and the period of probation shall be extended until the matter
6 is final.

7 9. **Completion of Probation.** Upon successful completion of probation,
8 Respondent's license will be fully restored.

9 10. **Active License Status.** Respondent shall at all times maintain an active
10 license status with the Board, including during any period of suspension. If the license is expired
11 at the time the Board's decision becomes effective, the license must be renewed within 30 days of
12 the effective date of the decision.

13 11. **Ethics Course/Examination.** Respondent shall take and pass with a score
14 of 90 percent or better a Board approved ethics examination within one year of the Effective Date
15 of this Decision.

16 If Respondent fails to pass said examination within the time period provided or
17 within two attempts, Respondent shall so notify the Board and shall cease practice until
18 Respondent takes and successfully passes said exam, has submitted proof of same to the Board,
19 and has been notified by the Board that he may resume practice. Failure to pass the required
20 examination no later than 100 days prior to the termination of probation shall constitute a
21 violation of probation.

22 Notwithstanding any other provision of this probation, failure to take and pass this
23 examination within five years of the effective date of this order constitutes a separate cause for
24 discipline of Respondent's license.

25 12. **Cost Reimbursement.** Respondent shall reimburse the Board \$16,114.88
26 for its investigation and prosecution costs. The payment shall be made as follows: in quarterly
27 payments (due with quarterly written reports), the final payment being due one year before
28 probation is scheduled to terminate.

DEC-31-2007 15:15

FROM-BONNIE AND HOPKINS

714-279-8102

T-096 P.008/008 F-451

12/14/2007

17:09

Dept. of Justice → 917142798102

NO.630 0009

ACCEPTANCE

I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the stipulation and the effect it will have on my CPA Certificate. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the California Board of Accountancy.

DATED: 12/31/07

BRYAN PAUL HOPKINS
Respondent

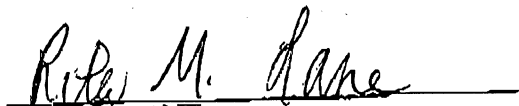
ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the California Board of Accountancy of the Department of Consumer Affairs.

DATED: Jan. 7, 2008

EDMUND G. BROWN JR., Attorney General
of the State of California

LINDA K. SCHNEIDER
Supervising Deputy Attorney General



RITA M. LANE
Deputy Attorney General

Attorneys for Complainant

DOJ Matter ID: SD2007801132
20187465.wpd

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. AC-2007-40

BRYAN PAUL HOPKINS
2592 N. Santiago Boulevard, #B
Orange, CA 92867

CPA Certificate No. 60786

Respondent.

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the California Board of Accountancy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on February 24, 2008.

It is so ORDERED January 25, 2008.



FOR THE CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS

Exhibit A

Accusation No. AC-2007-40

1 EDMUND G. BROWN JR., Attorney General
of the State of California
2 LINDA K. SCHNEIDER
Supervising Deputy Attorney General
3 RITA M. LANE, State Bar No. 171352
Deputy Attorney General
4 California Department of Justice
110 West "A" Street, Suite 1100
5 San Diego, CA 92101
6 P.O. Box 85266
San Diego, CA 92186-5266
7 Telephone: (619) 645-2614
Facsimile: (619) 645-2061
8
9 Attorneys for Complainant

10 **BEFORE THE**
11 **CALIFORNIA BOARD OF ACCOUNTANCY**
12 **DEPARTMENT OF CONSUMER AFFAIRS**
STATE OF CALIFORNIA

13 In the Matter of the Accusation Against:

Case No. AC-2007-40

14 BRYAN PAUL HOPKINS
2592 N. Santiago Boulevard, #B
15 Orange, CA 92867

A C C U S A T I O N

16 Certified Public Accountant Certificate
No. CPA 60786

17
18 Respondent.

19
20 Complainant alleges:

21 **PARTIES**

- 22 1. Carol Sigmann (Complainant) brings this Accusation solely in her official
23 capacity as the Executive Officer of the California Board of Accountancy (Board).
- 24 2. On or about January 31, 1992, the Board issued Certified Public
25 Accountant Certificate Number CPA 60786 to Bryan Paul Hopkins (Respondent). Said
26 certificate expired and was not valid during the following time periods: June 1, 1992 through
27 June 19, 1992, June 1, 2000 through June 22, 2000, June 1, 2002 through July 29, 2002, and
28 June 1, 2004 through September 6, 2004. Said certificate has been renewed for the period

June 1, 2006 through May 31, 2008, and will expire on June 1, 2008, unless renewed.

3. On or about November 21, 1998, the Board issued Certified Public Accountancy Corporation Certificate Number COR 4598 to BONNIE & HOPKINS, CERTIFIED PUBLIC ACCOUNTANTS, A PROFESSIONAL CORPORATION, with an expiration date of November 30, 2000. The records of the Board reflect that Ross R. Bonnie and Bryan P. Hopkins are the shareholders in BONNIE & HOPKINS, CERTIFIED PUBLIC ACCOUNTANTS, A PROFESSIONAL CORPORATION. Said certificate expired and was not valid during December 1, 2000 through December 26, 2000. Effective December 27, 2000, the certificate was renewed through November 30, 2002. The certificate expired on December 1, 2002. The renewal fee and renewal application were received on January 31, 2003, however, the renewal application submitted was deficient. Effective February 3, 2004, pursuant to California Code of Regulations, title 16, section 71(c), the renewal application submitted on January 31, 2003, was deemed abandoned. The certificate is currently in delinquent status.

4. On or about November 2, 2004, the Board issued Certified Public Accountancy Partnership Certificate Number PAR 6924 to BONNIE, HOPKINS & ANDERSON, LLP, with an expiration date of November 30, 2006. On December 20, 2005, BONNIE, HOPKINS & ANDERSON, LLP, Certified Public Accountancy Partnership Certificate No. PAR 6924, changed its name to BONNIE & HOPKINS, LLP. On February 23, 2007, BONNIE & HOPKINS, LLP, Certified Public Accountancy Partnership Certificate No. PAR 6924, changed its name to BONNIE, HOPKINS & BASTARDI, LLP. The records of the Board list Ross R. Bonnie, Bryan P. Hopkins and Stephen F. Bastardi as partners in BONNIE, HOPKINS & BASTARDI, LLP. The certificate expired on December 1, 2006, and was not valid for practice from December 1, 2006 through September 27, 2007, due to a failure to pay the renewal fee. Effective September 28, 2007, said certificate has been renewed through November 30, 2008, and will expire on December 1, 2008, unless renewed.

JURISDICTION

5. This Accusation is brought before the California Board of Accountancy under the authority of the following laws. All section references are to the Business and

1 Professions Code (Code) unless otherwise indicated.

2 6. Section 5109 of the Code provides that the expiration of a license shall not
3 deprive the Board of jurisdiction to commence or proceed with a disciplinary action against a
4 licensee.

5 7. Section 5060 states:

6 (a) No person or firm may practice public accountancy under any name
7 which is false or misleading.

8 (b) No person or firm may practice public accountancy under any name
9 other than the name under which the person or firm holds a valid permit to
10 practice issued by the board.

11 (c) Notwithstanding subdivision (b), a sole proprietor may practice under a
12 name other than the name set forth on his or her permit to practice, provided the
13 name is registered by the board, is in good standing, and complies with the
14 requirements of subdivision (a).

15 8. Section 5061 states:

16 (a) Except as expressly permitted by this section, a person engaged in the
17 practice of public accountancy shall not: (1) pay a fee or commission to obtain a
18 client or (2) accept a fee or commission for referring a client to the products or
19 services of a third party.

20 (b) A person engaged in the practice of public accountancy who is not
21 performing any of the services set forth in subdivision (c) and who complies with
22 the disclosure requirements of subdivision (d) may accept a fee or commission for
23 providing a client with the products or services of a third party where the products
24 or service of a third party are provided in connection with professional services
25 provided to the client by the person engaged in the practice of public accountancy.
26 Nothing in this subdivision shall be construed to permit the solicitation or
27 acceptances of any fee or commission solely for the referral of a client to a third
28 party.

.....

29 (d) A person engaged in the practice of public accountancy who is not
30 prohibited from performing services for a commission, or from receiving a
31 commission, and who is paid or expects to be paid a commission, shall disclose
32 that fact to any client or entity to whom the person engaged in the practice of
33 public accountancy recommends or refers a product or service to which the
34 commission relates.

35 (e) The board shall adopt regulations to implement, interpret, and make
36 specific the provisions of this section including, but not limited to, regulations
37 specifying the terms of any disclosure required by subdivision (d), the manner in
38 which the disclosure shall be made, and other matters regarding the disclosure that
39 the board deems appropriate. These regulations shall require, at a minimum, that
40 a disclosure shall comply with all of the following:

1 (1) Be in writing and be clear and conspicuous.

2 (2) Be signed by the recipient of the product or service.

3 (3) State the amount of the commission or the basis on which it will be
4 commuted.

5 (4) Identify the source of the payment and the relationship between the
6 source of the payment and the person receiving the payment.

7 (5) Be presented to the client at or prior to the time the recommendation
8 of the product or service is made.

9 (f) For purposes of this section, "fee" includes, but is not limited to, a
10 commission, rebate, preference, discount, or other consideration, whether in the
11 form of money or otherwise.

12 9. Section 5100 of the Code states:

13 After notice and hearing the board may revoke, suspend, or refuse to
14 renew any permit or certificate granted under Article 4 (commencing with Section
15 5070) and Article 5 (commencing with Section 5080), or may censure the holder
16 of that permit or certificate for unprofessional conduct that includes, but is not
17 limited to, one or any combination of the following causes:

18

19 (g) Willful violation of this chapter or any rule or regulation promulgated
20 by the board under the authority granted under this chapter.

21 10. Section 5107 of the Code provides for the recovery by the Board of its
22 reasonable costs of investigation and prosecution, including attorney's fees, if respondent is
23 found to have committed a violation of this chapter.

24 11. California Code of Regulations, title 16 (CCR), section 56 provides

25 (a) A licensee shall not accept any fee or commission permitted by
26 Business and Professions Code section 5061 unless he or she complies with the
27 provisions of this section and Section 56.1.

28 (b) A licensee who may receive a fee or commission pursuant to Business
and Professions Code section 5061 shall furnish to the client, at or prior to the
time the recommendation of the product or service is made, a written disclosure
statement in 12 point type or larger that contains the following information:

(1) The fact that the fee or commission is to be paid for
professional services and that a fee or commission cannot be
accepted solely for the referral of the client to the products or
services of a third party.

(2) A description of the product(s) or service(s) which the
licensee is recommending to the client, the identity of the third
party that is expected to provide the product or service, the

1 business relationship of the licensee to the third party, a description
2 of any fee or commission which may be received by the licensee,
3 including, but not limited to, any supplemental fee or commission
4 or other compensation allocable to the client being provided with
5 the product or service of the third party. Where the product(s) or
6 service(s) cannot be specifically identified at the time of the initial
7 disclosure, this information shall be included in a supplemental
8 disclosure within 30 days of receipt of the fee or commission.

9 (3) The dollar amount or value of the fee or commission
10 payment(s) or the basis on which the payment(s) shall be
11 computed.

12 (c) The written disclosure shall be on letterhead of the licensed firm or
13 shall be signed by the licensee. The disclosure statement shall be signed and
14 dated by the client and contain an acknowledgment by the client that the client has
15 read and understands the information contained in the disclosure. Supplemental
16 disclosures as described in subsection (b)(2) of Section 56 need not be signed by
17 the client or by the licensee. The licensee shall retain the disclosure statements for
18 a period of five years and shall provide copies to the client.

19 FIRST CAUSE FOR DISCIPLINE

20 (Commissions)

21 12. Respondent is subject to disciplinary action under Code section 5100(g) in
22 that he received commissions from the sale of insurance and investment products without
23 complying with the Board's disclosure requirements as set forth in Code section 5061. The
24 circumstances are as follows:

25 a. In August 2003, Respondent, as part of estate planning for Donald R.,
26 assisted in the purchase of a life insurance policy for the R. Family Limited Partnership with the
27 deposit of a \$1.4 million premium to National Life Company. Respondent's status as an agent
28 for the insurance company was undisclosed at the time that the policy was purchased. Donald R.
was unaware that Respondent had a financial interest in the policy sale. Respondent
subsequently received commissions of \$165,000 in approximately March 2004, from the sale of
the life insurance policy without disclosing the amounts or the calculations of the commission to
the client and without obtaining written acknowledgment from the client.

b. Unrelated to the events described in (a) above, Respondent also received
fees from a third party provider to whom he had referred six clients for the purchase of variable
annuity investments. Respondent did not inform the clients he had received the fees.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

2

- 3
- 4
- 5
- 6

7

8

9
10
11

12
13
14
15

16
17
18
19

20
21
22
23
24
25
26

27
28

1 practice under a firm name that was not registered with the Board (Bonnie, Hopkins & Bastardi,
2 LLP) and has not renewed the only firm permit that has been registered with the Board (Bonnie
3 & Hopkins, LLP) despite meeting with the Board's representatives regarding licensing issues.
4 Respondent's violations of practice without a permit are willful violations of the Accountancy
5 Act.

6 PRAYER

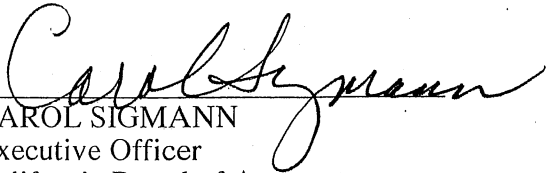
7 WHEREFORE, Complainant requests that a hearing be held on the matters herein
8 alleged, and that following the hearing, the Board issue a decision:

9 1. Revoking, suspending, or otherwise imposing discipline upon Certified
10 Public Accountant Certificate Number CPA 60786, issued to Bryan Paul Hopkins;

11 2. Ordering Bryan Paul Hopkins to pay the Board the reasonable costs of the
12 investigation and enforcement of this case pursuant to Business and Professions Code section
13 5107; and

14 3. Taking such other and further action as deemed necessary and proper.

15
16 DATED: November 2, 2007

17
18 
19 CAROL SIGMANN
20 Executive Officer
21 California Board of Accountancy
22 State of California
23 Complainant
24
25
26
27
28

SD2007800969